

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION**

In the Matter of	)	
Petition of WorldCom, Inc. Pursuant	)	
to Section 252(e)(5) of the	)	
Communications Act for Expedited	)	
Preemption of the Jurisdiction of the	)	CC Docket No. 00-218
Virginia State Corporation Commission	)	
Regarding Interconnection Disputes	)	
with Verizon-Virginia, Inc., and for	)	
Expedited Arbitration	)	
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**DIRECT TESTIMONY OF CHUCK GOLDFARB, ALAN  
BUZACOTT AND ROY LATHROP  
ON BEHALF OF WORLDCOM, INC.**

**(Issues I-3, III-6, III-7, III-9, III-10, III-11, III-12, & IV-28)**

**PUBLIC VERSION**

**July 31, 2001**

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1 **PART ONE: INTRODUCTION**

2 **Q. What is the purpose of this testimony?**

3 A. The purpose of this testimony is to present WorldCom, Inc.'s ("WorldCom") position on  
4 the following issues: I-3 (reciprocal collocation), III-6 (combination of UNEs), III-7  
5 (EELs), III-9 (switching exception), III-10 (line sharing and line splitting), III-11  
6 (subloops), III-12 (dark fiber) and IV-28 (collocation of advanced services equipment).  
7 We note that most of these issues were addressed by WorldCom in its letter to the Federal  
8 Communications Commission ("FCC" or "Commission") dated July 19, 2001 filed in  
9 response to the Commission's request at the status conference held July 10, 2001.

10 **Q. Who are the members of the witness panel sponsoring this testimony?**

11 A. The members of this Panel are Chuck Goldfarb, Alan Buzacott and Roy Lathrop.

12 **Q. Mr. Goldfarb, please summarize your professional background.**

13 A. I am an Economist with twenty-seven years experience in both the public and private  
14 sectors, and am currently Director in the Public Policy Analysis Section of WorldCom's  
15 Law and Public Policy Group. In this capacity, I am responsible for developing and  
16 coordinating WorldCom's analysis of major public policy issues, such as unbundled  
17 network elements ("UNEs") and universal service. In my eleven years at  
18 MCI/WorldCom, I have performed many tasks, including preparing analysis and  
19 submissions to the FCC, testifying as an expert witness on costing, unbundling, and other  
20 public policy issues in hearings and in panels at many state regulatory commissions  
21 (Illinois, New Hampshire, Colorado, Maryland, Massachusetts, Vermont), participating  
22 in panels at the National Association of Regulatory Utility Commissions ("NARUC"),

1 and coordinating all of WorldCom's economic and technical witnesses in the various state  
2 arbitration proceedings that followed passage of the 1996 Telecommunications Act.

3 Prior to joining WorldCom, I was an economic consultant for four years, during  
4 which time I was an expert witness in private antitrust cases in federal and state courts  
5 and in proceedings at state regulatory commissions. From 1974 to 1986, I was an  
6 economist and manager at an alphabet soup of federal agencies -- FTC, FCC, and OMB.  
7 At the FTC, I supervised economists in antitrust cases. At the FCC, I was the lead staff  
8 member in the Commission's radio deregulation proceeding and then became assistant  
9 chief of the (then) Broadcast Bureau. At OMB, I initiated the internal government review  
10 that ultimately resulted in the creation of FTS2000, the first program for competitive  
11 bidding for the federal government's telecommunications needs. I received a Bachelor of  
12 Arts in Economics from Brandeis University and a Master of Arts in Economics from the  
13 University of Pennsylvania.

14 **Q. Mr. Lathrop, please summarize your professional background.**

15 A. I am an Economist in the Regulatory Analysis section of WorldCom's Law and Public  
16 Policy group. My responsibilities include developing and promoting WorldCom's public  
17 policy positions before state and federal regulators. These policy positions generally  
18 involve encouraging competition by ensuring that ILECs are required to provision  
19 unbundled network elements in a non-discriminatory manner at prices based on Total  
20 Element Long Run Incremental Costs ("TELRIC"). During the past few years I have  
21 filed testimony in several state regulatory proceedings explaining the need for and  
22 defining the basic requirements for line splitting over the UNE-platform, addressing  
23 collocation costing, pricing and terms and conditions and a variety of other issues.

1 Prior to joining WorldCom, I was employed in the Telecommunications section of  
2 the Washington Utilities and Transportation Commission ("WUTC"), where I analyzed  
3 economic and policy issues involved in developing an alternative form of regulation for  
4 US West, and costing and pricing issues related to network unbundling proposals. Prior  
5 to working at the WUTC, I was employed by the California Public Utilities Commission  
6 ("CPUC"). My assignments at the CPUC included three years in the  
7 Telecommunications Rate Design Branch of the Division of Ratepayer Advocates where  
8 I provided analysis and expert testimony on various rate design, cost and tariffing issues,  
9 including cases implementing incentive regulation for California local exchange carriers.  
10 Subsequently, I served as a Commission Advisor responsible for economic and policy  
11 analysis for the electricity, natural gas and water industries. Prior to working at the  
12 CPUC, I was employed as a Research Economist at the Community and Organization  
13 Research Institute where I conducted econometric and policy analysis related to water  
14 demand. I received a Bachelor of Arts degree in Economics and Environmental Studies,  
15 and a Master of Arts degree in Economics from the University of California at Santa  
16 Barbara.

17 **Q. Mr. Buzacott, please summarize your professional background.**

18 A. I am a Senior Manager of Regulatory Affairs in the Business Markets, Internet and Data  
19 section of WorldCom's Law and Public Policy Group. I have been employed by  
20 WorldCom since 1996. My responsibilities include analyzing access charge, unbundled  
21 element, and universal service issues, as well as reviewing incumbent local exchange  
22 carrier ("ILEC") access tariff filings and associated cost support. I have a Bachelor of  
23 Applied Science degree in Electrical Engineering from the University of Toronto and a

1 Masters of Science degree in Electrical Engineering and Technology Policy from the  
2 Massachusetts Institute of Technology.

3 **PART TWO: ISSUES I-3, III-6, III-7, III-9, III-10, III-11, III-12 and IV-28**

4 **ISSUE I-3 RECIPROCAL COLLOCATION**

5 **Q. Can Verizon compel WorldCom to provide collocation to Verizon at WorldCom**  
6 **facilities?**

7 **A.** No. Verizon has no authority to require such collocation. The Act and the Commission's  
8 rules make clear that the obligation to provide collocation to requesting carriers applies  
9 only to ILECs. See 47 U.S.C. § 251(c)(6). This obligation cannot be imposed on a  
10 competitive local exchange company ("CLEC"), see 47 C.F.R. § 51.223(a), unless the  
11 procedure set forth in Section 251(h)(2) of the Act for treating other carriers as  
12 incumbents has been followed. That procedure has not been instituted and the criteria  
13 outlined in Section 251(h)(2) are not present. A CLEC may voluntarily offer collocation  
14 to Verizon, but the CLEC cannot be compelled to do so. For these reasons, the  
15 Commission should reject Verizon's demand that WorldCom provide it with collocation.

16 **ISSUE III-6 COMBINATION OF UNBUNDLED NETWORK ELEMENTS**

17 **Q. Does WorldCom include proposed contract language related to Verizon's**  
18 **obligations to provide combinations of network elements?**

19 **A.** Yes, WorldCom incorporates the following proposed amended contract language in  
20 Attachment III:

21 2.4 Except as provided in Section 2.4.1 below, Verizon shall provide  
22 each Network Element individually or in combination with any  
23 other Network Element or Network Elements. This includes, but is

1 not limited to, the Combination of all Network Elements, also  
2 known as Network Element Platform and Loop/Transport  
3 combinations. Verizon shall not separate network elements that  
4 are already combined on Verizon's network unless requested by  
5 MCIIm. Verizon's charge to MCIIm for any Combination of  
6 elements that are already combined may not exceed the TELRIC  
7 price for the sum of network elements that comprise the  
8 Combination. At MCIIm's request, except as noted below, Verizon  
9 shall provide Combinations of Network Elements ordinarily  
10 combined in its network, whether or not those Network Elements  
11 are currently combined in Verizon's network. Verizon may  
12 impose cost-based charges as specified in the pricing provisions of  
13 this Agreement for any work reasonably undertaken to combine  
14 Network Elements at MCIIm's request that were not previously  
15 provided.

16  
17 2.4.1 Notwithstanding Section 2.4 above, Verizon shall not be required  
18 to provide Network Elements in novel combinations, that is, in  
19 configurations that are not present somewhere in Verizon's  
20 network; provided further that in the event a court of competent  
21 jurisdiction declares lawful the FCC's Rules 315(c)-(f), or the FCC  
22 promulgates some analogous rule(s), Verizon agrees to provide  
23 such novel combinations in accordance with the terms of that rule.

1  
2 **Q. Why does WorldCom incorporate such language in its proposed contract?**

3 A. Even though WorldCom is the largest facilities-based CLEC in the United States, it is not  
4 feasible for WorldCom to offer local telephone service in Virginia by replicating  
5 Verizon's ubiquitous local network. WorldCom can viably offer pure facilities-based  
6 service to only a very limited number of large business customers whose premises are  
7 located on our fiber rings. To serve all other customers in Virginia, WorldCom needs  
8 access to unbundled Verizon network elements or combinations of Verizon network  
9 elements (including the combination of all network elements, known as network element  
10 platform or "UNE-platform", and loop-transport combinations).<sup>1</sup>

11 This is fully consistent with what the FCC found in the impairment analyses it  
12 performed to reach its determinations in the UNE Remand Order that requesting carriers  
13 are impaired in their ability to offer telecommunications services without access to  
14 unbundled ILEC loops, transport, and (in all but a very few exceptional situations)  
15 switching. In that Order, the FCC implemented rules requiring ILECs to provide  
16 requesting carriers access to unbundled network elements and combinations of elements.

17 Verizon has the incentive to restrict that access in order to restrict WorldCom's  
18 ability to compete. Such restrictions harm competition and also harm  
19 telecommunications users in Virginia who are denied access to alternative service  
20 providers. It therefore is essential that the Interconnection Agreement between  
21 WorldCom and Verizon fully lay out WorldCom's legal rights regarding access to  
22 unbundled network elements and combinations under the FCC's rules and that this

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<sup>1</sup> For example, WorldCom's entry strategy for the residential and small business markets in Virginia and all other states is to use the UNE-platform.



1 arbitration proceeding explicitly affirm those rights. WorldCom includes the language in  
2 Attachment III, Sections 2.4 and 2.4.1 of its proposed Interconnection Agreement with  
3 Verizon, based on the rules developed by the FCC to implement the local competition  
4 provisions of the Telecommunications Act of 1996, to provide general guidance on how  
5 Verizon must make its network elements available to WorldCom.<sup>2</sup>

6 **Q. What are the statutory and regulatory bases for requiring Verizon to provide**  
7 **combinations of network elements?**

8 A. Section 251(c)(3) of the Act requires the ILECs to provide requesting carriers access to  
9 unbundled network elements for the provision of telecommunications services. The Act and  
10 FCC regulations also require ILECs to provide combinations of unbundled network elements.<sup>3</sup>  
11 The combined effect of the Act and these regulations is to entitle requesting carriers access to  
12 combinations of network elements (1) where the elements already are combined, such as an  
13 existing dial-tone arrangement, and (2) where the combinations are “new” (in the sense that they  
14 are not currently existing) but Verizon ordinarily combines such elements in its network, such as  
15 a second dial-tone line for a customer.

16 **Q. Does WorldCom base its Argument that Verizon is Required to Provide**  
17 **Combinations of Network Elements on FCC Rules 315(c)-(f)?**

18 A. No, the parties agree that Verizon should not be required to provide WorldCom with  
19 combinations of network elements based on FCC Rules 315(c)-(f) since those provisions

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<sup>2</sup> More detailed, network element-specific or combination-specific guidance is incorporated in other provisions of the proposed Interconnection Agreement.

<sup>3</sup> 47 U.S.C. § 251(c)(3); 47 C.F.R. §§ 51.315(a), (b).

1 have been struck down by the 8th Circuit and (subject to appeal) currently are not in  
2 effect.

3 **Q. What, then, is the basis for disagreement between WorldCom and Verizon**  
4 **regarding Verizon's obligation to provide network combinations?**

5 A. The parties disagree about the scope of Verizon's obligations under Rule 315(a), and the  
6 intended reach of Rules 315(c)-(f), which has been vacated. Paragraph 296 of the Local  
7 Competition Order explicitly identifies two distinct and distinguishable ILEC  
8 requirements, the first of which is embodied in Rule 315(a), and the second in Rule  
9 315(c)-(f):

10 Incumbent LECs are required to perform the functions necessary to  
11 combine those elements that are ordinarily combined within their network,  
12 in the same manner in which they are typically combined. Incumbent  
13 LECs also are required to perform the functions necessary to combine  
14 elements, even if they are not ordinarily combined in that manner, or are  
15 not ordinarily combined in the incumbent's network, provided that such  
16 combination is technically feasible, or such combination would not  
17 undermine the ability of other carriers to access unbundled network  
18 elements or interconnect with the incumbent LEC's network.

19 The language in vacated Rules 315(c)-(f) tracks the language in the second ILEC  
20 requirement outlined in paragraph 296, relating to the situation where the ILEC does not  
21 ordinarily combine the elements. Those rules explicitly address the issues of technical  
22 feasibility and the impact on the ability of other carriers to access unbundled network  
23 elements or to interconnect with the ILEC's network. By contrast, the language in Rule

1 315(a) tracks the language in the first ILEC requirement outlined in paragraph 296,  
2 relating to combining elements that are ordinarily combined in the ILEC network; these  
3 statements make no mention of technical feasibility, since requesting elements in  
4 combination as they are ordinarily combined in the ILEC network obviously raises no  
5 question of technical feasibility.

6 WorldCom therefore believes that it is fully consistent with Rule 315(a) to require  
7 Verizon to provide WorldCom combinations of elements that may not be combined today  
8 to serve a particular customer but are ordinarily combined in Verizon's network.  
9 Verizon's view -- that the requirement to provide any combinations of elements that do  
10 not exist in the network today including combinations that ordinarily exist within its own  
11 network was required only under the vacated Rules 315(c)-(f) -- misconstrues those  
12 provisions and ignores the FCC's definitive construction of them in paragraph 296 of the  
13 First Report and Order.

14 Verizon also argues that even if this is so, the 8<sup>th</sup> Circuit's construction of section  
15 251(c)(3) adopted when it struck down Rules 315(c)-(f) makes illegal any effort to  
16 require Verizon to provide even ordinarily combined combinations. Thus Verizon  
17 argues that under the 8<sup>th</sup> Circuit decision it has no obligation to perform any functions  
18 necessary to combine any network elements, even those ordinarily combined in its  
19 network, since the statute requires that the CLEC, not the ILEC do any combining. But  
20 in reversing the 8<sup>th</sup> Circuit's vacation of section 315(b), the Supreme Court expressly  
21 rejected the 8<sup>th</sup> Circuit's legal reasoning upon which Verizon relies, concluding that the  
22 statute "does not say, or even remotely imply, that elements must be provided only in an  
23 [unassembled] fashion, and that the Commission's conclusion that "unbundling" referred

1 to separate pricing, not to physical separation, of leased network elements. AT&T Corp.  
2 v. Iowa Utilities Board, 119 S.Ct. 721, 737 (1999).. The Supreme Court thus powerfully  
3 supported the FCC’s conclusion in paragraph 294 of its Local Competition Order, in  
4 which it found:

5 ...given the practical difficulties of requiring requesting carriers to  
6 combine elements that are part of the incumbent LEC’s network, we  
7 conclude that section 251(c)(3) should be read to require incumbent LECs  
8 to combine elements requested by carriers. More specifically, section  
9 251(c)(3) provides that incumbent LECs must provide unbundled elements  
10 “in a manner that allows requesting carriers to combine them” to provide a  
11 telecommunications service. We believe this phrase means that  
12 incumbents must provide unbundled elements in a way that *enables*  
13 requesting carriers to combine them to provide a service. The phrase  
14 “allows requesting carriers to combine them” does not impose the  
15 obligation of physically combining elements exclusively on requesting  
16 carriers. Rather, it permits a requesting carrier to combine the elements if  
17 the carrier is reasonably able to do so. If the carrier is unable to combine  
18 the elements, the incumbent must do so.

19 WorldCom believes that the current 8<sup>th</sup> Circuit proscription on requiring ILECs to  
20 perform the tasks needed to combine network elements is limited to those novel  
21 combinations of network elements covered in Rules 315(c)-(f) that were the subject of  
22 the 8<sup>th</sup> Circuit decision.

1           The issue with respect to provision of network element combinations that are not  
2           currently combined to serve a particular customer, but that are ordinarily combined in  
3           Verizon's network to offer telecommunications service, is best illustrated by second lines  
4           to customer premises. The arbitrator should specifically affirm that Verizon is obligated  
5           pursuant to 47 C.F.R. § 51.315(a) and (b) to provide combinations of network elements  
6           so that WorldCom may provide second lines to customers, whether or not the second  
7           lines are currently in service, because Verizon ordinarily combines these network  
8           elements in its network. More generally, the arbitrator should affirm that Verizon is  
9           obligated pursuant to 47 C.F.R. § 51.315(a) and (b) to provide all combinations of  
10          network elements that Verizon ordinarily combines in its network that WorldCom needs  
11          in order not to be impaired in its ability to offer telecommunications services.

12   **Q.    Are there other reasons for requiring Verizon to provide to WorldCom the types of**  
13   **combinations that Verizon ordinarily combines in its network?**

14   A.    Yes. The Act requires Verizon to treat CLECs in a nondiscriminatory fashion. Where  
15   Verizon "ordinarily combines" elements, it obviously "ordinarily combines" them for its  
16   retail operations. For Verizon to be permitted to combine elements for its retail  
17   operations, but to refuse to perform those exact same types of combinations for its CLEC  
18   competitors is the epitome of discrimination and is unlawful under the Act. As a result,  
19   for this reason as well, Verizon must be required to perform for CLECs the combinations  
20   of elements it ordinarily performs for its retail operations.

21   **Q.    What is the basis for WorldCom's proposed language prohibiting Verizon from**  
22   **separating network elements that are already combined unless requested to do so by**  
23   **WorldCom?**

1 A. With respect to the provision of existing combinations of network elements, 47 C.F. R. §  
2 51.315(b) provides that these existing arrangements shall not be separated by ILECs  
3 except upon request. As previously discussed, the Supreme Court specifically upheld this  
4 regulation. The Court rejected the argument that in requiring the ILEC to provide  
5 network elements in a manner that allows carriers to combine them, the Act contemplated  
6 the provisioning of elements only in physically separate pieces.<sup>4</sup> The Court clarified that  
7 “unbundled” means separate prices, not physically separated. The Court also stated that  
8 § 251(c) “does not say, or even remotely imply, that elements must be provided in  
9 discrete pieces, and never in combined form.”<sup>5</sup> Therefore, the FCC’s holding that ILECs  
10 must perform the function necessary to combine requested elements under 47 U.S.C. §  
11 251(c)(3), which is restated in 47 C.F.R. § 1.315(a), has been affirmed by the Supreme  
12 Court. The arbitrator should affirm these ILEC responsibilities and it is appropriate to  
13 incorporate them into the Interconnection Agreement.

14 **Q. Are there existing FCC rules relating to nondiscriminatory access to unbundled**  
15 **network elements that apply to combinations of network elements and should be**  
16 **incorporated into the interconnection agreement?**

17 A. Yes, the FCC’s nondiscrimination rules require that “the quality of an unbundled network  
18 element, as well as the quality of the access to such unbundled network element, that an  
19 incumbent LEC provides to a requesting telecommunications carrier shall be at least  
20 equal in quality to that which the incumbent LEC provides to itself.”<sup>6</sup> This requirement  
21 applies equally to individual network elements and combinations of network elements.  
22 Thus, when MCIm seeks to offer services previously provided by the incumbent LEC

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<sup>4</sup> *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366, 394 (1999).

<sup>5</sup> *Id.*

1 through combinations of network elements (including UNE-platform), those services  
2 should not be unnecessarily disconnected, interrupted, or otherwise modified in order for  
3 customers to migrate to MCIIm. There will be situations where MCIIm is obtaining a  
4 subset of unbundled Verizon elements (as opposed to UNE-platform) to offer service and  
5 in these instances there will be the need to make some modification to allow the MCIIm  
6 element(s) to interconnect with the Verizon element(s). But this modification should not  
7 result in any disconnection or interruption of service that would not occur if the  
8 modification were made while the customer were continuing to obtain service from  
9 Verizon. For example, if MCIIm were to seek to obtain a copper loop to serve a customer  
10 currently being served with IDLC, then any disconnection or interruption of service  
11 should not be any greater than would occur if the customer were to continue to obtain  
12 service from Verizon but now sought an all copper loop, for example to be able to obtain  
13 DSL service. Similarly, if MCIIm were to seek to serve a customer using an unbundled  
14 Verizon loop, Verizon should be required to perform coordinated hot-cuts subject to  
15 explicit service standards that eliminate to the greatest extent possible any disconnection  
16 or interruption of service.

17 **Q. Is there a need for language in the contract relating to the pricing of network**  
18 **element combinations?**

19 A. Yes. The contract language related to the pricing of network element combinations will  
20 ensure that no additional, unnecessary charges are included for network element  
21 combinations. The FCC has determined that unbundled network elements, and  
22 combinations of network elements, must be made available at TELRIC rates. According  
23 to 47 C.F.R. §§ 51.503(b) and 51.507(e), the recurring and non-recurring charges for

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<sup>6</sup> 47 C.F.R. § 311(b).

1 network elements must “not permit an incumbent LEC to recover more than the total  
2 forward-looking economic cost of providing the applicable element” or TELRIC. Nor  
3 should the recurring and non-recurring charges for a combination of network elements  
4 exceed the TELRIC of the sum of the network elements that comprise the combination,  
5 plus any contractually-specified cost-based charges for work done to combine elements  
6 that are not currently combined in the network.

7 **ISSUE III-7 ENHANCED EXTENDED LINKS (“EELS”)**

8 **Q. Does WorldCom believe that it is impaired in its ability to provide service in**  
9 **Virginia by Verizon’s refusal to provide unbundled access to EELs?**

10 A. Yes. WorldCom believes that it is impaired in its ability to provide the services it wishes  
11 to offer in Virginia by Verizon’s refusal to provide unbundled access to EELs in Virginia.

12 **Q. What are the standards for assessing impairment?**

13 A. The FCC has found that “the failure to provide access to a network element would  
14 ‘impair’ the ability of a requesting carrier to provide the services it seeks to offer if,  
15 taking into consideration the availability of alternative elements outside the incumbent’s  
16 network, including self-provisioning by a requesting carrier or acquiring an alternative  
17 from a third-party supplier, lack of access to that element materially diminishes a  
18 requesting carrier’s ability to provide the services that it seeks to offer.”<sup>7</sup> In assessing the  
19 availability of alternatives, the FCC considers the totality of circumstances, focusing on  
20 cost, timeliness, quality, ubiquity, and other factors.

21 **Q. How should those standards be applied to determine whether WorldCom is**  
22 **impaired without unbundled access to EELs?**

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<sup>7</sup> *UNE Remand Order*, ¶ 51.



1 A. To determine if WorldCom is impaired by Verizon's refusal to provide unbundled access  
2 to EELs, the Virginia SCC (or in this proceeding the FCC) must examine the factors  
3 articulated by the FCC. In doing so, the FCC can only find that WorldCom is materially  
4 diminished in its ability to provide local exchange and exchange access services unless  
5 Verizon is required to provide unbundled access to EELs.

6 **Q. What functionality does an EEL provide to a requesting carrier?**

7 A. From the perspective of a requesting carrier such as WorldCom, an EEL provides the  
8 functional equivalent of a loop. It provides an unswitched transmission path of whatever  
9 length is necessary between an end user and a WorldCom Point of Presence ("POP") or  
10 collocation arrangement. Once established, that transmission path can then be used to  
11 provide the end user with the local exchange and exchange access services described in  
12 WorldCom's tariffs.

13 **Q. To what extent does an impairment analysis for eels differ from the analysis that the**  
14 **FCC already performed in determining that loops must be unbundled?**

15 A. The only significant difference between an unbundled loop and an EEL is that the EEL  
16 includes interoffice transport mileage, while the loop terminates in the end user's serving  
17 wire center. Accordingly, insofar as a requesting carrier is impaired if denied unbundled  
18 access to loops, it is necessarily impaired if denied unbundled access to EELs except in  
19 those circumstances where that carrier has established a collocation arrangement in the  
20 end user's serving wire center and uses its own (or a third parties') interoffice transport to  
21 carry its traffic back to its POP.

22 **Q. What did the FCC find when it examined impairment with respect to loops?**

1 A. The FCC found that requesting carriers are impaired throughout the country if denied  
2 access to unbundled loops. There is no reason for the Virginia SCC (or the FCC in this  
3 proceeding) to re-examine loop impairment. And even if the FCC were to re-examine  
4 loop impairment, it would inevitably find that requesting carriers are impaired without  
5 unbundled access to loops.<sup>8</sup> There are material differences in cost, timeliness, quality,  
6 and ubiquity that would impair any carrier seeking to self-provision or obtain loops from  
7 third parties.

8 **Q. What did the FCC find when it examined impairment with respect to interoffice**  
9 **transport?**

10 A. The FCC found that requesting carriers are impaired throughout the country if denied  
11 access to unbundled interoffice transport. There is no reason for the FCC to re-examine  
12 interoffice transport impairment. And even if the FCC were to re-examine interoffice  
13 transport impairment, it would inevitably find that requesting carriers are impaired  
14 without unbundled access to interoffice transport. According to Verizon's Petition for  
15 Pricing Flexibility, alternative transport facilities are available for no more than 49 of the  
16 210 Verizon central offices in Virginia.<sup>9</sup> Accordingly, there is no ubiquitous alternative  
17 to Verizon's interoffice transport.

18 **Q. Is WorldCom impaired without access to EELs?**

19 A. Except in the limited circumstances where WorldCom has collocation arrangements,  
20 Verizon special access services provide the only feasible, ubiquitous alternative to

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<sup>8</sup> For example, WorldCom is able to self-provision loops to only **BEGIN CONFIDENTIAL xxx END**  
**CONFIDENTIAL** buildings in the entire state of Virginia.

<sup>9</sup> Verizon Petition for Pricing Flexibility for Special Access and Dedicated Transport Services, Attachment D,  
CCB/CPD File No. 00-24, November 17, 2000.

1 EELs.<sup>10</sup> Those services are significantly more costly than the forward-looking cost at  
2 which EELs would be provided. Moreover, Verizon has obtained Phase II pricing  
3 flexibility for transport in the following MSAs: Washington, DC (includes Northern  
4 Virginia), Richmond, Norfolk-Virginia Beach- Portsmouth, Newport News-Hampton,  
5 Roanoke, and Lynchburg. In these MSAs, Verizon's transport special access services  
6 have been removed from price cap regulation. Verizon is free to lower or raise the price  
7 of these services at any time, which it would be most likely to do in those locations where  
8 it faces the least competition. The FCC should conclude that in the particular  
9 circumstances present in Virginia, WorldCom is impaired unless it obtains unbundled  
10 access to EELs.

#### 12 **ISSUE III-9 SWITCHING EXCEPTION**

13 **Q. Does worldCom include proposed contract language related to the limited exception**  
14 **to verizon's obligation to provide unbundled local switching at telric rates?**

15 **A.** Yes, WorldCom incorporates the following proposed amended contract language in  
16 Attachment III:

17 7.1 Verizon shall provide MCIIm unbundled, Non-Discriminatory  
18 access to Local Switching (including traditional and ISDN  
19 switching functionalities, and in particular including the ability to  
20 route to MCIIm's transport facilities, dedicated facilities, and  
21 systems) at TELRIC-based rates; provided, however, that Verizon  
22 may charge the market-based rates set forth in Attachment 1 for

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<sup>10</sup> WorldCom has collocation arrangements in only **BEGIN CONFIDENTIAL xxx CONFIDENTIAL** central offices in the entire state of Virginia.

1 Local Switching for MCI's provision of local service to  
2 customers who have four or more voice grade (DS0) or equivalent  
3 lines at one location in the density zone 1 of the Washington, D.C.  
4 and Norfolk-Virginia Beach-Newport News Metropolitan  
5 Statistical Areas (as defined as of January 1, 1999 under Section  
6 69.123 of the FCC's rules), if Verizon also provides to MCI  
7 throughout the relevant density zone 1 Non-Discriminatory access  
8 at TELRIC prices to Loop/Transport Combinations (including  
9 multiplexing/concentration equipment).

10  
11 **Q. Why does Worldcom incorporate such language in its proposed contract?**

12 A. The FCC found that "requesting carriers are not impaired without access to unbundled  
13 local circuit switching when they serve customers with four or more lines in Density  
14 Zone 1 in the top 50 metropolitan statistical areas (MSAs) ... where the incumbent LECs  
15 have provided nondiscriminatory, cost-based access to the enhanced extended link (EEL)  
16 throughout Zone 1."<sup>11</sup> WorldCom seeks contract language that incorporates this limited  
17 exception to the availability of unbundled Verizon switching and that explicitly identifies  
18 how that exception would be implemented because Verizon seeks to improperly interpret  
19 this limited exception in a fashion that would improperly restrict WorldCom's access to  
20 unbundled switching.

21  

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<sup>11</sup> *UNE Remand Order*, 15 F.C.C.R. at para. 278.

1   **Q.     Is there an issue relating to the definition of “serving customers with four or more**  
2       **lines”?**

3   A.     Yes. WorldCom believes that the only reasonable interpretation of the line count portion  
4       of these rules is to apply them at a single location. Verizon must provide unbundled  
5       switching whenever the customer seeks fewer than four lines at a particular location. By  
6       contrast, Verizon seeks to improperly interpret the line count portion of these rules to  
7       apply to the aggregate demand of a customer for lines. Many customers will have  
8       multiple locations and may seek in aggregate four or more lines, but seek fewer than four  
9       lines at one or more locations.

10           The impairment analysis performed by the FCC relates to the ability of a CLEC to  
11       use its own switching to offer service at a particular location. The logic behind the  
12       limitation is that a certain volume of traffic to and from a particular location makes it  
13       economical to self-provision facilities. The ILEC’s fail to provide any rationale at all for  
14       their strained contrary interpretation. It is absurd to interpret the FCC’s rules to deny  
15       CLEC access to switching, for example, to serve a small bakery company because that  
16       company has four locations in a city, each with one telephone line. The FCC’s conclusion  
17       and rules apply on a location-specific basis.

18           WorldCom’s interpretation of the line count portion of these rules is consistent  
19       with a recent finding of the Pennsylvania Public Utilities Commission (“PA PUC”),  
20       which adopted a “per location” definition in restricting UNE-P and EEL offerings.<sup>12</sup> The  
21       PA PUC required Verizon to make UNE-P and EEL offerings available to any CLEC  
22       residential customer as well as business customers with total billed revenue (“TBR”)

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<sup>12</sup> *Interim Opinion and Order in the Further Pricing of Verizon Pennsylvania Inc.’s Unbundled Network Elements*, case R-00005261, R-00005261C0001, et al, issued June 8, 2001.

1 from local and intraLATA toll services at or below \$80,000 annually. In response to  
2 Verizon's proposal that the TBR threshold limit imposed by the PA PUC be applied to  
3 "customers" defined as an account, regardless of the number of locations served by that  
4 account (as Verizon proposes to do here), the PA PUC stated:

5 ...Verizon is, apparently, attempting once again to restrict the availability of  
6 UNE-P. Verizon's reliance on its interpretation of the \$80,000 TBR as requiring  
7 a per customer definition is misplaced. As the ALJ noted, the goal of this  
8 provision was to encourage competition. Indeed, adoption of Verizon's proposal  
9 to combine all of the branches, locations and subsidiaries of a business entity for  
10 purposes of identifying eligibility under the \$80,000 threshold would stifle  
11 competition. Absent a locational distinction, as the ALJ noted, we exclude the  
12 kinds of customers, i.e., the small business customer, we intended to benefit by  
13 setting the \$80,000 threshold. We have frowned on the previous attempts of  
14 Verizon to treat the CLEC's small business customers differently than Verizon  
15 treat its small business customer. (footnote omitted) Thus, we agree with the  
16 ALJ and the CLECs that business customers should be restricted to a locational  
17 definition.<sup>13</sup>

18 **Q. Is there any other portion of the FCC's rule that requires explicit contractual**  
19 **clarification because it could be subject to different interpretations?**

20 **A.** Yes. One of the pre-requisites for WorldCom and other CLECs not to be impaired in  
21 their ability to offer local service is unrestricted access to Verizon's loop/transport  
22 combinations (EELs). At the same time, in certain circumstances unrelated to the  
23 switching exception the FCC has not required Verizon to provide requesting carriers

1       unrestricted access to EELs. Because these two apparently different obligations could  
2       create confusion, there is a good reason to explicitly address in the contract Verizon's  
3       obligations to provide EELs as they relate to the switching exception.

4               The only reasonable interpretation of the EELs portion of the rules relating to  
5       unbundled local switching is that the ILEC must provide unrestricted access to loop-  
6       transport combinations in order to qualify for the switching exception. It is only with  
7       unrestricted access to these EELs that CLECs will not be impaired in their ability to offer  
8       telecommunications services to customers with four or more lines when using their own  
9       switches. In this proceeding, in its response to issues restated as result of its motion to  
10      dismiss, Verizon states that it agrees with WorldCom's understanding of the EELs  
11      restriction, Nevertheless, some ILECs have improperly interpreted the EELs portion of  
12      these rules to be limited to existing loop-transport combinations that also meet the safe  
13      harbor usage restrictions in the Supplemental Order Clarification,<sup>14</sup> so the FCC should  
14      make clear that this limitation is irrelevant to the EELs provided pursuant to the  
15      switching exception, as both parties here agree

16             The FCC's impairment analysis for switching identified the pre-conditions  
17      necessary for CLECs not to be impaired in their ability to offer telecommunications  
18      services without access to unbundled switching. One requirement was "cost-based access  
19      to the enhanced extended link (EEL) throughout Density Zone 1." The access to EELs  
20      identified in this impairment analysis is completely unrelated to any possible restrictions  
21      (such as the requirement that the loop-transport combination be used primarily to offer  
22      local service or the three safe harbors) in the generic requirement for ILECs to offer

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<sup>13</sup> *Id* at 78.

<sup>14</sup> *Supplemental Order Clarification* at para. 22.

1 EELs. Even where the FCC has made a determination that ILECs need not provide EELs  
2 in certain situations, that does not remove the requirement that ILECs provide  
3 unrestricted access to EELs in the relevant geographic (MSA and Zone 1) area in order to  
4 qualify for the exception to the unbundled switching requirement.

5 Also, quite obviously, the access to EELs identified in the switching rules must  
6 exist for new loop-transport combinations as well as existing combinations.

### 7 **ISSUE III-10 LINE SHARING AND LINE SPLITTING**

8 **Q. Does WorldCom include proposed contract language related to verizon's obligations**  
9 **to provide line sharing and line splitting?**

10 A. Yes, WorldCom incorporates the proposed amended contract language set forth in  
11 WorldCom's letter to the FCC dated July 19, 2001 at pages 11 through 16.

12 **Q. Why does WorldCom incorporate such language in its proposed contract?**

13 A. The Interconnection Agreement between Verizon and WorldCom should contain  
14 sufficient detail regarding WorldCom's right to engage in line sharing and line splitting  
15 on loops used in a UNE-platform configuration to make such arrangements operational.  
16 Furthermore, while WorldCom's proposed amended contract language includes  
17 requirements that are consistent with implementation schedules, terms, conditions and  
18 guidelines agreed upon during the ongoing DSL Collaborative in the State of New York  
19 (PSC Case 00-C-0127), it is important to include this language in the Agreement to  
20 eliminate ambiguity and minimize future disputes regarding the rights and obligations of  
21 the parties.

22 WorldCom has proposed contract language that makes explicit operational details  
23 of pre-ordering, ordering, provisioning, maintaining and billing line sharing and line



1 splitting. Verizon's proposed contract language lacks the detail required for the provision  
2 of line sharing and line splitting. Moreover, Verizon's proposed language is, in at least  
3 one instance, contrary to Commission orders in that it limits line sharing and line splitting  
4 to copper loops.

5 **Q. Does Verizon's contract provide sufficient specificity regarding loop qualification**  
6 **information?**

7 A. No. Verizon's proposed contract language on loop qualification does not identify the  
8 specific information that Verizon will provide to WorldCom in response to a mechanized,  
9 manual or engineering pre-order query.<sup>15</sup> In addition, Verizon's contract language does  
10 not refer to its obligations under the *UNE Remand Order* to provide competitors with  
11 access to all of the same detailed loop qualification information that it has available to  
12 itself. WorldCom's proposed contract language that follows sets forth requirements  
13 consistent with the *UNE Remand Order* and should be included in the Interconnection  
14 Agreement.<sup>16</sup>

15 4.9.4 Loop Qualification. Verizon agrees to provide MCIIm with access to all  
16 the same loop qualification information that it has available to itself. In  
17 particular, Verizon must, as specified in FCC 99-238, identify the  
18 composition of the loop material, the existence, location and type of any  
19 electronic or other equipment on the Loop, including but not limited to,  
20 DLC, bridge taps, load coils, or other disturbers, loop length, including the  
21 length and location of each type of transmission media, the wire gauge of  
22 the Loop, and the electrical parameters of the Loop. This information

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<sup>15</sup> See Sections 3.14.2 through 3.14.6 (UNE Attachment) of Verizon's Proposed Contract Language.

<sup>16</sup> This section is consistent with Attachment III, Section 4.2.6 of WorldCom's proposed contract language.

1 must be provided on any basis that the incumbent provides such  
2 information to itself

3 4.9.4.1 Other Pre-Order Information. Verizon agrees to provide the same  
4 enhancements to its loop qualification database that it has made to its  
5 database in Massachusetts and New York, and that it has committed to  
6 make in Pennsylvania. Verizon agrees to provide access to loop  
7 information in the same manner it has committed to provide that  
8 information in Pennsylvania in its filings in FCC docket No. 01-138.  
9 Specifically, but without limitation, Verizon agrees that MCIIm can submit  
10 an electronic loop qualification gaining access to Verizon's LiveWire  
11 database, or through its manual loop qualification process, by submitting  
12 an Engineering Record Request, or by providing electronic access to Loop  
13 make-up information residing in LFACS in the same manner that access is  
14 provided in Massachusetts.

15 In its Massachusetts 271 Order, the Commission concluded that Verizon-  
16 Massachusetts offers nondiscriminatory access to OSS pre-ordering functions associated  
17 with determining whether a loop is capable of supporting DSL.<sup>17</sup> In its recent 271  
18 application for Pennsylvania, Verizon asserted that it has made the same enhancements to  
19 its loop qualification in Pennsylvania that it made to its database in Massachusetts.<sup>18</sup> In  
20 addition, in its Pennsylvania 271 Application, Verizon set forth in detail the information  
21 it provides to CLECs in response to a mechanized, manual and engineering query.<sup>19</sup>

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<sup>17</sup> Massachusetts 271 Order at ¶ 60.

<sup>18</sup> See VZ-PA 271 Application at pp. 26-27.

<sup>19</sup> See Joint Declaration of Kathleen McLean, Raymond Wierzbicki and Catherine Webster at ¶¶ 43-63.

WorldCom requests that the same non-discriminatory access be assured in its Interconnection Agreement for Virginia.

**Q. Is it important that the ordering processes for line sharing and UNE-P line splitting migrations be included in the agreement?**

A. Yes. Verizon's proposed contract language does not reference the specific ordering processes that it has agreed to in New York for Line Sharing and UNE-P Line Splitting migrations. Although Verizon's contract language provides for a CLEC to migrate an existing UNE platform configuration to a line splitting configuration using the same unbundled elements utilized in the pre-existing platform arrangement, it does not include any detail as to how a CLEC is to order and maintain such an arrangement. Verizon recently filed a tariff in New York that purports to comply with the ordering procedures for line splitting that were agreed to in the ongoing DSL Collaborative in New York PSC Case 00-C-0127. In addition, Verizon's Pennsylvania 271 Application states that "[i]n October, Verizon will implement, throughout the former Bell Atlantic footprint (including Pennsylvania), the new OSS capability that will support transitions from line sharing to line splitting arrangements consistent with the business processes defined in the New York DSL Collaborative."<sup>20</sup> WorldCom seeks to incorporate the same commitments and description of the ordering process in its Virginia Interconnection Agreement that Verizon has made in New York and Pennsylvania. Specifically, Verizon must commit to providing automated transitions from line sharing to line splitting in Virginia in October and should incorporate the ordering procedures set forth in its New York line splitting tariff into the Agreement.

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<sup>20</sup> Declaration of Paul Lacouture and Virginia Ruesterholz at ¶ 239.

1 **Q. Should the agreement include contract language that memorializes the requirement**  
2 **to provide line sharing and line splitting on fiber-fed loops?**

3 A. Yes. Verizon's proposed contract language, if adopted, would appear to limit its  
4 obligation to provide line sharing and line splitting to copper loops. Verizon's proposed  
5 definitions of line sharing<sup>21</sup> and line splitting<sup>22</sup> attempt to preclude line sharing and line  
6 splitting over fiber fed loops. The FCC has made clear that "the requirement to provide  
7 line sharing applies to the entire loop, even where the incumbent has deployed fiber in the  
8 loop (e.g., where the loop is served by a remote terminal)."<sup>23</sup> Thus, Verizon's definition  
9 of line sharing and line splitting must delete the word "copper" so that WorldCom has the  
10 ability to offer voice and/or data in either a line sharing or line splitting configuration to  
11 customers served by fiber-fed DLC. As discussed below, WorldCom acknowledges that  
12 the provision of line sharing over fiber-fed DLC involves other operational issues that  
13 must be resolved prior to implementation; however, nothing in the agreement should  
14 preclude WorldCom from accessing such loops.

15 **Q. If and when Verizon upgrades its network to accommodate DSL out of remote**  
16 **terminals, must WorldCom have nondiscriminatory access to the equipment used in**  
17 **such a network architecture?**

18 A. Yes. WorldCom's proposed contract language includes a section that would require  
19 nondiscriminatory access to remote facilities and to loops attached to those remote  
20 facilities if and when Verizon provides DSL-based services out of remote terminals.<sup>24</sup>

21 Verizon's contract language is silent on WorldCom's access to the equipment used to

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<sup>21</sup> Verizon's Proposed Contract Language at Section 4.1 of UNE Attachment.

<sup>22</sup> Id. at section 2.xx of Line Splitting Addendum.

<sup>23</sup> FCC Line Sharing Reconsideration Order (CC Docket Nos. 98-147, 96-98) released January 19, 2001, at ¶ 10.

<sup>24</sup> WorldCom's Proposed Amended Contract Language at Section 4.10 of Attachment III.

1 provide line splitting and line sharing over fiber-fed DLC. Verizon has stated in various  
2 fora that it is considering a wholesale DSL at the RT offering similar to SBC's Project  
3 Pronto Offering. In a recent letter to the FCC, Verizon stated:

4 Verizon is installing more fiber-fed DLC equipment in its local feeder  
5 plant and is considering deployment of DSL capabilities on that  
6 architecture in certain localities where it is upgrading existing remote  
7 terminals. Verizon could utilize this architecture to offer a wholesale DSL  
8 packet transport service to other carriers, as well as to provide retail DSL  
9 service to consumers.<sup>25</sup>

10 Indeed, Verizon has hosted a few meetings with CLECs to discuss its proposed offering, known by the  
11 acronym PARTS ("Packet at Remote Terminal Service").

12 In this arbitration, WorldCom seeks the right to access remote facilities, including  
13 loops, on the same terms and conditions as Verizon (or by which Verizon grants to its  
14 affiliates) if and when Verizon upgrades its network to provide DSL-based services using  
15 loops served by fiber-fed DLC.

16 **Q. What is the appropriate interval for the provision of line sharing?**

17 **A.** Verizon's contract language sets forth a six-business day interval for the provision of line  
18 sharing.<sup>26</sup> Verizon provides carriers with a three-day provisioning interval for line  
19 sharing in New York, Pennsylvania and Maryland and should do the same in Virginia.  
20 Verizon notes that on March 29, 2001, it notified CLECs that effective May 1, 2001, it  
21 would reduce its standard interval for provisioning line sharing orders on five or fewer  
22 arrangements to three business days in all Verizon-East jurisdictions, which includes

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<sup>25</sup> Ex Parte letter from Gordon E. Evans, Vice President Federal Regulatory for Verizon, dated May 1, 2001, CC Docket 98-184.

<sup>26</sup> Verizon's Proposed Contract Language at Section 4.4.6 of UNE Attachment.

1 Virginia. This would appear to resolve this issue and language describing a three-day  
2 provisioning interval should be incorporated into the Agreement.

3 **ISSUE III-11 SUBLOOPS**

4 **Q. Does the language in WorldCom's proposed contract relating to subloop**  
5 **unbundling reflect the rules enunciated by the fcc in its une remand order?**

6 **A.** Yes, it does. The language in the subloop section of WorldCom's proposed contract,  
7 Section 4.3 of Attachment III, paraphrases the FCC's rules as follows:

- 8 • Section 4.3.1, paraphrases the *subloop definition* language in § 51.319(a)(2).<sup>27</sup>
- 9 • Section 4.3.2 explicitly identifies five subloop components of a loop.
- 10 • Section 4.3.3 paraphrases the *inside wire* language in § 51.319(a)(2)(A).<sup>28</sup>
- 11 • Section 4.3.4 paraphrases the *technical feasibility and best practices* language in  
12 §§ 51.319(a)(2)(B) and (C).<sup>29</sup>
- 13 • Section 4.3.5 paraphrases the *single point of interconnection* language in §  
14 51.319(a)(2)(E).<sup>30</sup>

15  

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<sup>27</sup> 47 C.F.R. § 51.319(a)(2).

<sup>28</sup> 47 C.F.R. § 51.319(a)(2)(A).

<sup>29</sup> 47 C.F.R. §§ 51.319(a)(2)(B) and (C).

<sup>30</sup> 47 C.F.R. § 51.319(a)(2)(E).

1   **Q.     Is there reason to believe that Verizon is not willing to provide access to unbundled**  
2       **subloops in a nondiscriminatory fashion?**

3   A.    Yes. Verizon will provide access to the subloop only at a fiber-distribution interface  
4       (“FDI”) and only from a CLEC outside plant interconnection cabinet (“COPIC”).<sup>31</sup>  
5       Verizon claims that this indirect access to subloop through a COPIC meets its obligations  
6       under FCC rules. But requiring CLECs to access subloops through a COPIC may add an  
7       unnecessary link that both raises costs (for example, by requiring the installation of  
8       additional facilities) and increases the potential for administrative problems (such as  
9       obtaining rights-of-way, zoning and power supply) that may not occur, or would be  
10      minimized, with CLEC direct access to the FDI (assuming space permits). These sorts of  
11      costs and potential administrative delays would arise only for CLECs, not for Verizon.

12   **Q.     Has the FCC spoken to the kind of access an ILEC like Verizon must provide to**  
13       **UNEs, including subloop elements?**

14   A.    Yes. As discussed above, the Commission’s nondiscrimination rules require that the  
15       quality of the access Verizon provides to WorldCom must be at least equal in quality to  
16       what Verizon provides to itself, and Verizon must provide access using the method  
17       WorldCom requests (i.e., direct access without intermediate devices) unless the requested  
18       method is not technically feasible.<sup>32</sup> The FCC’s UNE Remand Order specifically  
19       identified the FDI as a point of access.<sup>33</sup> The FCC’s rules provide that the FDI is an  
20       “accessible terminal,” meaning that it is a point “where technicians can access the wire or

---

<sup>31</sup> Verizon’s Proposed Contract Language at Section 5.3 of UNE Attachment. If the CLEC is collocated at a remote terminal and the FDI is located in the remote terminal, Verizon proposes to permit access to the subloop from such a collocation arrangement.

<sup>32</sup> 47 C.F.R. §§ 51.311(b), 51.321(a).

<sup>33</sup> *UNE Remand Order*, ¶ 206.

1 fiber within the cable without removing a splice case to reach the wire or fiber within.”<sup>34</sup>

2 The FCC noted that some FDIs could have “enough unoccupied space to accommodate  
3 easily the requesting carrier’s equipment” while in other situations an FDI may have no  
4 spare space.<sup>35</sup> Thus, some FDIs can be accessed directly. Verizon bears the burden of  
5 proving that providing at least equal quality access or using the requested method of  
6 access are not technically feasible.<sup>36</sup> Given the divergent nature of FDI deployments,  
7 WorldCom recognizes that the determination of technical feasibility must be conducted  
8 on a site-specific basis.

### 9 **ISSUE III-12 DARK FIBER**

10 **Q. Why does WorldCom include detailed language relating to Verizon’s obligation to**  
11 **provide unbundled dark fiber?**

12 A. While the Commission has issued rules identifying dark fiber as an unbundled element, it  
13 has not provided a detailed roadmap of how to make these rules operational. Verizon has  
14 not cooperated with WorldCom to develop contractual language that would make these  
15 rules operational. But it is important that the interconnection agreement between  
16 WorldCom and Verizon include such a detailed roadmap. The proposed WorldCom  
17 contract language under discussion in this issue, Sections 5.1, and 5.2 of Attachment III  
18 of the proposed WorldCom contract, attempts to do just that – to make the FCC’s

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<sup>34</sup> 47 C.F.R. § 319 (a)(2).

<sup>35</sup> *UNE Remand Order*, ¶ 222.

<sup>36</sup> 47 C.F.R. §§ 51.311(b), 51.321(d).



1 decisions operational by specifying Verizon responsibilities and WorldCom rights  
2 relating to unbundled dark fiber.

3 **Q. Where in the FCC rules is dark fiber identified as an unbundled element?**

4 A. Dark fiber is identified as an unbundled element both in Section 51.319(a)(1),<sup>37</sup> which  
5 defines the local loop network element to include all features, functions, and capabilities,  
6 including dark fiber, and in Section 51.319(d)(1)(B),<sup>38</sup> which explicitly defines dark fiber  
7 transport as “incumbent LEC optical transmission facilities without attached  
8 multiplexing, aggregation or other electronics.” Thus, the various FCC rules relating to  
9 local loops and transport are applicable to dark fiber.

10 **Q. Why does WorldCom include sections 5.1 and 5.2 in its proposed contract?**

11 A. Sections 5.1 and 5.2 provide language needed to make operational Verizon’s obligation  
12 to provide WorldCom with unbundled dark fiber. Section 5.1 provides a definition of  
13 dark fiber and Section 5.2 sets out reasonable terms and conditions under which Verizon  
14 must make dark fiber available to WorldCom. Section 5.2.1 helps assure non-  
15 discriminatory access to dark fiber. Section 5.2.2 sets out an efficient single point of  
16 contact for negotiations. Sections 5.2.3 gives WorldCom the right to test the quality of  
17 the dark fiber. Section 5.2.4 sets reasonable timetables that Verizon must meet to ensure  
18 that WorldCom receives relevant information in a timely fashion. Section 5.2.5 sets  
19 reasonable timetables for Verizon to make dark fiber available and to identify appropriate

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<sup>37</sup> 47 C.F.R. § 51.319(a)(1).

<sup>38</sup> 47 C.F.R. § 51.319(d)(1)(B).

1 connection points. Section 5.2.7 allows WorldCom to use its own personnel to perform  
2 splicing and testing and requires Verizon to provide appropriate interfaces and sufficient  
3 cable. Section 5.2.8 provides guidance for WDM applications.

4 I do suggest, however, one modification to the language in Section 5.2. Section  
5 5.2.6 would require Verizon to expand or overbuild its network and capacity to  
6 accommodate requests for dark fiber. Since dark fiber is defined in Section 5.1 as  
7 “unused strands” of optical fiber, this requirement for expansion or overbuild should be  
8 limited to situations where Verizon has deployed just enough fiber plant to serve its own  
9 needs *and* has removed existing copper plant, resulting in CLECs having no access to  
10 fiber or copper loops.

11  
12 **Q. Section 5.2.4 of WorldCom’s proposed contract requires Verizon to provide**  
13 **information regarding dark fiber within five business days of a request for a**  
14 **records-based answer and ten business day for a field-based answer. By contrast,**  
15 **Verizon has offered intervals of 15 business days, or a negotiated interval if Verizon**  
16 **receives 10 such requests for one LATA. Similarly, section 5.2.5 of WorldCom’s**  
17 **proposed contract requires Verizon to make dark fiber available within 20 business**  
18 **days after it receives written acceptance from WorldCom, while Verizon proposes**  
19 **an interval of 30 days. How should this be reconciled?**

1 A. It is important that the Agreement include specific intervals so that requests do  
2 not go unanswered. In comparing these intervals, the burden of proof should be  
3 on Verizon to demonstrate that its proposed intervals are closer than WorldCom's  
4 proposed intervals are to the times it takes to provide the relevant information and  
5 provision the dark fiber for its own retail operations. That is the only measure of  
6 nondiscrimination.

7 **Q. Do sections 5.2.4 and 5.2.5 of WorldCom's proposed contract, referring to the**  
8 **reservation of dark fiber, improperly provide WorldCom with superior**  
9 **quality service?**

10 A. No. Verizon does not make every unused fiber strand available to requesting  
11 carriers. It holds some unused strands in reserve for its own future needs. Thus,  
12 Verizon does in fact reserve dark fiber for itself and to meet its requirement to  
13 provide nondiscriminatory access to unbundled network elements it must allow  
14 requesting carriers such as WorldCom to reserve dark fiber for some reasonable  
15 amount of time as well.

16 **Q. Do you agree with Verizon that it should be permitted to limit access to dark**  
17 **fiber to hard termination points because it is not technically feasible to access**  
18 **dark fiber at locations other than hard termination points?**

19 A. In section 5.2.5 of its proposed contract, WorldCom requires Verizon to identify  
20 appropriate connection points, including light guide interconnection or splice  
21 points to enable WorldCom to connect or splice WorldCom-provided  
22 transmission media or equipment to the dark fiber. The Commission should adopt  
23 this provision. Section 319.(a)(2)(B) of the Commission's rules places the burden

1 of proof on Verizon, as the incumbent LEC, to demonstrate that it is not  
2 technically feasible to access dark fiber at the points requested by WorldCom.  
3 Verizon's proposal requires WorldCom to collocate in order to access dark fiber  
4 and denies WorldCom the right to access dark fiber via splicing. In short,  
5 Verizon denies a technically feasible method of accessing dark fiber. Bell South  
6 has agreed to the language which Verizon contests. Bell South has agreed to  
7 allow WorldCom to access dark fiber via a splice, and has agreed to let  
8 WorldCom personnel perform a splice in a manhole. Indeed, Bell South has  
9 agreed to allow access at any technically feasible point, and Verizon should be  
10 required to do the same.

11 **Q. Does section 5.2.7 of WorldCom's proposed contract appropriately permit its**  
12 **personnel to perform splices of dark fiber?**

13 **A.** Verizon must provide non-discriminatory access to all unbundled elements at  
14 TELRIC rates. Its first burden is to demonstrate why allowing WorldCom to  
15 perform splices would create risks to service that could not be handled by  
16 appropriate contractual language relating to liability. If in fact it could  
17 demonstrate that such a risk existed for which WorldCom would not face  
18 appropriate liability, then it would have to perform the splices itself at TELRIC  
19 rates. As noted above, Bell South allows WorldCom personnel to perform the  
20 splicing.

#### 21 **ISSUE IV-28 COLLOCATION OF ADVANCED SERVICES EQUIPMENT**

22 **Q. Is WworldCom entitled to collocate advanced services equipment, such as**  
23 **DSLAMS, in Verizon's premises?**

1

2 A. Yes. WorldCom's proposed amended contract language specifies that Digital  
3 Subscriber Line Access Multiplexers ("DSLAMs") and splitters used in  
4 association with DSLAMs, and any other equipment located where the copper  
5 portion of the loop terminates in order to provide DSL functionality, can be  
6 collocated in Verizon premises in accordance with the rates, terms and conditions  
7 set forth in the Collocation Attachment. Verizon does not appear to dispute this  
8 issue.

9 **Q. Is WorldCom entitled to collocate multifunction equipment in verizon's**  
10 **premises?**

11 A. Yes. Verizon and WorldCom appear to agree to adopt language implementing the  
12 FCC's Order in Docket No. 98-147 providing for the collocation of multifunction  
13 equipment where an inability to deploy that equipment would as a practical,  
14 economic or operational matter preclude WorldCom from obtaining  
15 interconnection or access to unbundled network elements.

16 **Q. Does this conclude your testimony?**

17 A. Yes.

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION**

In the Matter of	)	
Petition of WorldCom, Inc. Pursuant	)	
to Section 252(e)(5) of the	)	
Communications Act for Expedited	)	
Preemption of the Jurisdiction of the	)	CC Docket No. 00-218
Virginia State Corporation Commission	)	
Regarding Interconnection Disputes	)	
with Verizon-Virginia, Inc., and for	)	
Expedited Arbitration	)	

**AFFIDAVIT OF CHUCK GOLDFARB, ROY LATHROP AND ALAN BUZACOTT**

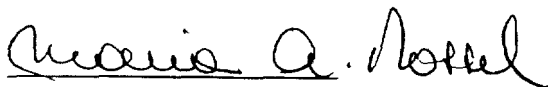
The undersigned, being of lawful age and duly sworn on oath, certifies the following:

I, Alan Buzacott, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.



Alan Buzacott

Subscribed and Sworn to before me this  
31st day of July, 2001.



Notary Public

MARIA A. ROSSEL  
Notary Public District of Columbia  
My Commission Expires: 2/14/2006


**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION**

In the Matter of	)	
Petition of WorldCom, Inc. Pursuant	)	
to Section 252(e)(5) of the	)	
Communications Act for Expedited	)	
Preemption of the Jurisdiction of the	)	CC Docket No. 00-218
Virginia State Corporation Commission	)	
Regarding Interconnection Disputes	)	
with Verizon-Virginia, Inc., and for	)	
Expedited Arbitration	)	

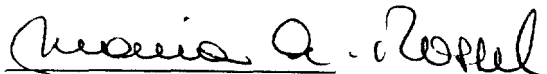
**AFFIDAVIT OF CHUCK GOLDFARB, ROY LATHROP AND ALAN BUZACOTT**

The undersigned, being of lawful age and duly sworn on oath, certifies the following:

I, Chuck Goldfarb, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Chuck Goldfarb

Subscribed and Sworn to before me this  
31<sup>st</sup> day of July, 2001.

  
\_\_\_\_\_  
Notary Public

MARIA A. ROSSEL  
Notary Public District of Columbia  
My Commission Expires: 2/14 2006

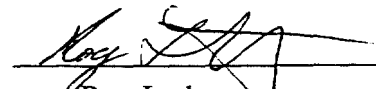
**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION**

In the Matter of	)	
Petition of WorldCom, Inc. Pursuant	)	
to Section 252(e)(5) of the	)	
Communications Act for Expedited	)	
Preemption of the Jurisdiction of the	)	CC Docket No. 00-218
Virginia State Corporation Commission	)	
Regarding Interconnection Disputes	)	
with Verizon-Virginia, Inc., and for	)	
Expedited Arbitration	)	


**AFFIDAVIT OF CHUCK GOLDFARB, ROY LATHROP AND ALAN BUZACOTT**

The undersigned, being of lawful age and duly sworn on oath, certifies the following:

I, Roy Lathrop, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

  
Roy Lathrop

Subscribed and Sworn to before me this  
31st day of July, 2001.

  
Notary Public

MARIA A. ROSSEL  
Notary Public District of Columbia  
My Commission Expires: 2/14/2006